REMARKS

This paper is responsive to the Office Action mailed November 3, 2004, relating to the above-identified application. Applicant has amended the claims and requests re-examination and reconsideration. Claims 5, 11, 13-15, 18-22 and 50-69 remain pending.

I. Summary of the Examiner's Rejections and Objections.

Claims 22 and 25 stand rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with the enablement requirement.

Claims 1-69 stand rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention.

Claims 1-49 stand rejected under 35 U.S.C. § 102(b) as being anticipated by Zeitman (W0 9804080).

Claims 50-69 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Ouimet (WO 97/37328) in view of Zeitman.

II. Applicant's Response To the Examiner's Rejections.

Applicant has cancelled claims 1-4, 6-10, 12, 16, 17 and 23-49 and amended claims 50-69 to overcome the Examiner's rejections and to place such claims in condition for allowance. Accordingly, Applicant submits that the Examiner's rejections have been overcome and requests that the Examiner withdraw such rejections.

Applicant traverses the rejection of the aforementioned claims for the reasons set forth in greater detail below.

Applicants submit that Zeitman, Ouimet, or any combination thereof fails to disclose, teach or suggest, either implicitly or explicitly, each and every element of Applicants' claimed subject matter, and respectfully request the Examiner to withdraw the rejections.

It is well-established that to establish prima facie obviousness, all the claim limitations must be taught or suggested by the prior art. In addition, there must be some teaching, motivation or suggestion in either the prior art, or the references themselves to make the combination asserted by the Examiner.

In *In re Lee*, the Federal Circuit held that the Patent & Trademark Office cannot rely on conclusory statements when dealing with particular combinations of prior art and specific claims, but must set forth the rationale on which it relies. 277 F.3d 1338, 61 USPQ2d 1430 (Fed. Cir. 2002).

"When patentability turns on the questions of obviousness, the search for and analysis of the prior art includes evidence relevant to the finding of whether there is a teaching, motivation, or suggestion to select and combine the references relied on as evidence of obviousness. See, e.g., McGinley v. Franklin Sports, Inc., 262 F.3d 1339, 1351-52, 60 USPQ2d 1001, 1008 (Fed. Cir. 20010 ('the central questions is whether thee is a reason to combine [the] references,' a question of fact drawing on the Graham factors)."

The factual inquiry whether to combine references must be thorough and searching." *Id.* It must be based on objective evidence of record. This precedent has been reinforced in myriad decisions, and cannot be dispensed

See, e.g., Brown & Williamson Tobacco Corp. v. Philip Morris Inc., 299 F.3d 1120, 1124-25, 56 USPQ2d 1456, 1459 (Fed. Cir. 2000) ('a showing of a suggestion, teaching, or motivation to combine the prior art references is an "essential component of an obviousness holding" (quoting C.R. Bard, Inc. v. M3 Systems, Inc., 157 F.3d 1340, 1352 48 USPQ2d 1225, 1232 (Fed. Cir. 1998)); In re Dembiczak, 175 F.3d 994, 999 50 USPQ2d 1614, 1617 (Fed. Cir. 1999) ('Our case law makes clear that the best defense against the subtle but powerful attraction of a hindsight-based obviousness analysis is rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references.); In re Dance, 160 F.3d 1339, 1343, 48 USPQ2d 1635, 1637 (Fed. Cir. 1998) (there must be some motivation, suggestion, or teaching of the desirability of making the specific combination that was made by the application); In re Fine, 837 F.2d 1071, 1075, 5 USPQ2d 1596, 1600 (Fed. Cir. 1988) ("teachings of references can be combined only if there is some suggestion or incentive to do so.") (emphasis in original) (quoting ACS Hosp. Sys., Inc. v. Montefiore Hosp., 732 F.2d 1572, 1577, 221 USPQ 929, 933 (Fed. Cir. 1984))."

"The need for specificity pervades this authority. See, e.g., In re Kotzab, 217 F.3d 1365, 1371, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000) ('particular findings must be made as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed'); In re Roufeet, 149 F.3d 1350, 1359, 47 USPQ2d 1453, 1459 (Fed. Cir. 1998) ('even when the level of skill in the art is

high, the Board must identify specifically the principle, known to one of ordinary skill, that suggests the claimed combination. In other words, the Board must explain the reasons one of ordinary skill in the art would have been motivated to select the references and to combine them to render the claimed invention obvious.'); *In re Fritch*, 972 F.2d 1260, 1265, 23 USPQ2d 1780, 1783 (Fed. Cir. 1992) (the examiner can satisfy the burden of showing obviousness of the combination 'only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references')."

Omission of a relevant factor required by precedent is both legal error and arbitrary agency action.

One case, In re Bozek, 57 C.C.P.A. 713, 416, F.2d 1385, 163 USPQ 545 (1969), mentions "common knowledge and common sense." However, Bozek did not hold that common knowledge and common sense are a substitute for evidence, but only that they may be applied to analysis of the evidence. Further, Bozek did not hold that objective analysis, proper authority, and reasoned findings can be omitted from Board decisions. Moreover, Bozek does not after thirty-two years of isolation, outweigh the dozens of rulings of the Federal Circuit and the Court of Customs and Patent Appeals that determination of patentability must be based on evidence. This court has remarked, in Smiths Industries Medical Systems, Inc. v. Vital Signs, Inc., 183 F.3d 1347, 1356, 51 USPQ2d 1415, 1421 (Fed. Cir. 1999), that Bozek's

reference to common knowledge 'does not in and of itself make it so' absent evidence of such knowledge.

Measuring a claimed invention against the standard established in 35 U.S.C. §103 requires the oft-difficult, but critical step of casting the mind back to the time of invention, to consider the thinking of one of ordinary skill in the art, guided only by the prior art references in the then-accepted wisdom in the field. See, e.g., W.L. Gore & Assoc., Inc. v. Garlock, Inc., 721 F.2d 1540, 1553, 220 USPQ 303, 313 (Fed. Cir. 1983). Close adherence to this methodology is especially important in the case of less technologically complex inventions, where the very ease with which the invention can be understood may prompt one "to fall victim to the insidious effect of a hindsight syndrome wherein that which only the inventor taught is used against its teacher." Id.

Case law makes it clear that the best defense against the subtle but powerful attraction of a hindsight-based obviousness analysis is rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references. *In re Dembiczak*, 50 USPQ 2d 164, 1617 (Fed. Cir. 1999). Combining prior art references without evidence of such a suggestion, teaching or motivation simply takes the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentability - the essence of hindsight. *Id*; *See*, *e.g.*, *Interconnect Planning Corp. v. File*, 774 F.2d 1132, 1138, 227 USPQ 543, 547 (Fed. Cir. 1985). Evidence of a suggestion, teaching or motivation to combine may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature

of the problem to be solved, although "the suggestion more often comes from the teachings of the pertinent references." *Dembiczak* at 1617; *In re Roffet*, 149 F.3d 1350, 1359, 47 USPQ 2d 1453, 1459 (Fed. Cir. 1998) ("The board must identify specifically...the reasons one of ordinary skill in the art would have been motivated to select the references and combine them").

The showing of such suggestion, teaching or motivation must be <u>clear</u> and <u>particular</u>. *Dembiczak* at 1617 (emphasis added); *See*, *e.g.*, *C.R. Bard*, *Inc. v. M3 Sys.*, *Inc.*, 157 F.3d 1340, 1352, 48 USPQ 2d 1225, 1232 (Fed. Cir. 1998).

Broad conclusory statements regarding the teaching of multiple references, standing alone, are not "evidence." Dembiczak at 1617; See, e.g. Elmurry v. Arkansas, Power & Light Co., 995 F.2d 1576, 1578, 27 USPQ 2d 1129, 1131 (Fed. Cir. 1993); In re Sichert, 566 F.2d 1154, 1164, 196 USPQ 207, 217 (CCPA 1977).

Therefore, the Examiner must make <u>particular</u> findings regarding the <u>locus</u> of the suggestion, teaching or motivation to confine the prior art references. *Dembiczak* at 1617 (emphasis added).

A. Rejection of Claims 5, 11, 13-15, 18-22 and 50-69.

The payment system as defined in claim 50, as amended, calls for, among other things,

"...a reference identifier ... that has a wireless communication means ..." and

"a parking meter associated with each parking space ... facilitating communication with ... said reference identifier ..."

The structure and associated functionality of the aforementioned limitation is not disclosed in Zeitman, Ouimet, or any combination thereof. Nor has the Examiner provided recitation where the entirety of the aforementioned limitation is disclosed in Zeitman or Ouimet. Therefore, claim 50 cannot be obvious under Zeitman, Ouimet or any combination thereof. Applicant requests a specific showing by the Examiner of the particular locus, other disclosure or teaching of the aforementioned limitation. Absent such showing, the obviousness of rejection of claim 50 by the Examiner is improper under 35 U.S.C. § 103(a) and MPEP § 706.02.

In rejecting claim 50 under Ouimet, specifically on page 9 of the Office Action, the Examiner states that:

"Ouimet discloses that references identifiers [smart cards with monetary funds on them] can be used by occupants of vehicles to pay for parking and allow basic customer information to be transmitted to the parking meters 12. See page 6 of Ouimet."

The Examiner's statements fail to disclose the aforementioned limitations of providing an indication of where in the Ouimet system the reference identifier having a wireless communication means that communicates with the parking meter associated with each parking space is disclosed. Applicant notes that on page 6 of Ouimet, the following disclosure is made:

"For each payment for parking, a motorist goes to a payment terminal and enters vehicle identification data and either (a) desired parking duration, (b) a desired parking end time, or (c) a desired amount of money to be paid. The vehicle identification data may be stored on a motorist smart card or on a magnetic strip card accepted by the terminal in which case entering of the data each time a motorist's parts is not required."

It is clear from the disclosure on page 6 of Ouimet and the remainder of such disclosure that the Ouimet smart card or any structural or functional replacement therefor cannot communicate via wireless means with a parking meter or any other element of the parking payment system as claimed. The wireless communication electronics 41 disclosed in Ouimet, is described solely for interface with the central processing means 16. No other function may be performed from the structural configuration disclosed in Ouimet. Accordingly, the aforementioned limitations of amended claim 50 are not disclosed in Ouimet, Zeitman or any combination thereof.

Applicant submits that the obviousness rejection is improper under 35 U.S.C. § 103(a) or MPEP § 706.02 because each and every limitation of the amended claim 50 is not disclosed in Ouimet, Zeitman or any combination thereof nor has the Examiner pointed to any portion of Ouimet, Zeitman or any combination thereof which discloses the entirety of the aforementioned limitations.

Consequently, Applicant submits that Ouimet, Zeitman or any combination thereof does not render the invention as to find an amended claim 50 obvious because the Examiner has failed to identify with specificity a principal limitation of amended claim 50 and Ouimet, Zeitman or any combination thereof does not disclose a reference identifier and parking meter

having the structure and functionality as defined in amended claim 50.

Accordingly, reconsideration or withdrawal of the rejection of amended claim

50 is respectively requested.

Claims 5, 11, 13-15, 18-22 and 51-69 directly or indirectly depend upon

and include all the limitations of amended claim 50 and allow at least for the

reasons associated with amended claim 50.

Accordingly, reconsideration or withdrawal of the rejection of Claims 5,

11, 13-15, 18-22 and 50-69 is respectively requested.

CONCLUSION 1

Based on the above amendments and remarks, the Applicant submits

that claims 5, 11, 13-15, 18-22 and 50-69 are now in proper condition for

allowance and such action is earnestly solicited.

The Commissioner is hereby authorized to charge any underpayment or

credit any overpayment to Deposit Account No. 22-0259 for any payment in

connection with this communication, including any fees for extensions of time,

which may be required. The Examiner is invited to call the undersigned if such

action might expedite the prosecution of this application.

Respectfully submitted,

Dated: May 3, 2005

Reg. No. 39,404

Vedder, Price, Kaufman & Kammholz, P.C.

222 North LaSalle Street Chicago, Illinois 60601-1003

(312) 609-7716

mturgeon@vedderprice.com